

Digital Marketing During Global Crisis: A Review

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Abstract

Purpose- The purpose of this paper is to review the existing literature based on past global crisis and digital marketing so as to extract the outcome which would be helpful for businesses to grow during this environmental and economical downturn.

Research Methodology- This paper determine the various factors affecting the market place during the crisis period and how all have come up with different strategies according to time period. Reviewing of paper, articles and the understanding approach of the researcher is the methodology followed for writing this review paper.

Findings- After reviewing more than 20 research papers; the main conclusion drawn is lack of knowledge about digital marketing tools in small and medium scale enterprises.

Practical Implications- Educating the public about the internet and digital world so that development of the country as a whole can be taken into consideration and to come-up with the new innovative ideas in this crisis period.

Keyword- Digital Marketing, Digital Marketing Tools, Crisis Management, Recession, Pandemic.

Paper Type- Review Paper.

Introduction

Digital Marketing

Boom in the digital world in past 2 years is undeniable, according to latest reports from times of India on an average Indian spends 4-5hrs in scrolling with 560 million of internet user and counting. Cell phones and computers are becoming gateway to the vast digital world that exists, which proves easy accessibility and reliability on the digital world. The basic and most important advantages of digital forms include the limitless geographical boundaries, the cost effectiveness and all-time availability of customer services. According to few researches, south Asian countries have big potential of such

markets and India is the second largest online market in the world due to its population statistics. In 2023, the number of internet users will rise to 666 millions, thus we can say that coming era will be ruled by digital marketing. It includes email, social media and website based content. Now a day, every second brand has a website; customers also expect it and rely on their content. With minimum expenditure, one can connect users to their content by different tactics like advertising, email, brochures, and social media pages. Marketing strategies can be made keeping in mind the target audience and the use of product and services, launching an online campaign is the most effective tactics used till date. These areas also create room for the skills of the creative content making and writing and also help in generating employment for creators out there. Digital marketing works for all form of businesses like B2B, B2C, C2C and B2G in various ways starting from providing information about their brands to final billing and feedback. Apart from private companies, government of India is also going digital from providing Adhar cards to banking services to RTI to filling FIR and so on. In July 2015, campaign was launched at the national level titling "Digital India" to minimize the paper work and piling of files in the offices, also promises to improve the digital connectivity in rural India.

World had witnessed the four major global recession in 1975, 1982, 1991 and 2008, and now as we are suffering a huge pandemic this year, the economists predicts about the world largest recession in 2020. They say, some of the European and American countries GDP growth will be negative in second quarter of the year. In India, we have passed through the stages of recession in 2008 where GDP rate declined from 8% to 5%. Fearing of great depression as a result of long stretched recession is causing anxiety in the minds of citizens of both developed and developing countries. According to reports from India Today, some of the researchers predicted that this recession in India will be worse than 2008-09 in terms of economic growth potential. A slowdown in the internal market of every country could upset many aspects of world and Indian economy resulting in unemployment all over the world. Domestic rating agency ICRA has sharply forecasted Indian growth in current fiscal year to 2% from 4.7%-5.2% before the pandemic. They cited the lockdown effects mainly on certain activities like travel and tourism, labor intensive industries, constructions sited, however a positive and healthy outlook for rabi crop could provide support through improved rural demand in the country.

The word crisis is derived from the Greek 'krisis' which means decision or judgment or we can say, crisis is the point where outcome is fundamentally uncertain. The severity of the current global crisis indicates the extreme uncertainty as how and when it will end. According to few reports including World Health Organization, this can last upto 1 to 2 years or upto the point where more than 70% of the world

population is infected by this virus. The modelers at Imperial College suggested that only approach to exit route from enforced 'social distancing' is a vaccine, which may not be available until the summers of 2021. It is now obvious that we will be experiencing deep global crisis, crashing of labor markets and evaporation of consumer spending. But comparison of this crisis with other global crisis is not possible because this time we are facing totally different challenges as it is a global pandemic, not focusing on low-income countries, interest rates are historically low and world is more integrated than before.

There are few ways from which we can identify that 2020 will be different from past other crisis. This transmission is caused due to very high level of international connectivity i.e. globalization and reliance of the industries on labor markets. Secondly, the geographical side of this crisis is unlike a typical capitalism in nature, super rich are hiding in bunkers and an island as this pandemic does not discriminate on the basis of economic geography. In fact, the use of smart phones and the internet has generated a new sort of global public we have never experienced before.

We have seen the destruction of demand and supply as this crisis is creating spillover effects through supply chains. The toughest work will be restarting or filling the gaps of supply and demand chain all over the nation and to maintain the continuous flow of goods and services to the market. According to the latest report from world health organization, this pandemic can turn into endemic and eradication of this virus seems near to impossible with the present science. One fine day, we have to move out of our houses, do our jobs regularly following the law of social distancing, start production houses with effective alternatives and contribute towards the economy in the best possible ways. With growing digital India with this crisis, the impact of current situation can be seen on digital markets and platforms in our country with a little span of time.

Literature Review

Tong S. C. and Chan F. F. Y. (2020) conducted online survey engaging 241 practitioner in the area of public relations activities in Hong Kong where the concept of marketing orientation and usage of digital media in this era is widely discussed and proposed in structural model. The SEM analysis showed that the involvement in the marketing relations have positive effects on the perception of public relation in terms of value and its effectiveness. The proposed model on marketing-oriented relationship is bifurcated into interactivity effects (involvement, perceived customization and liking), public relations values (organization-public relationship, media publicity, cost reduction and revenue generation) and

benefits of digital media usage (clients' profitability, business intelligence and corporate communications management).

Pandey N., Nayal P., and Rathore A. S.(2019) conducted study with the help of semi-structural interviews on B2B organization with respect to digital marketing and mainly highlighted the areas of sales management and digital marketing while other areas remained unexplored which includes electronic marketing orientation, critical success factors and decision support system. They had drawn a collaborative framework wherein digital marketing capabilities and analytics technology adoption leads to marketing orientation which further leads to business performance enhancement with environmental conditions as a catalyst resulting the importance of machine learning, social media technologies and creative mind for business growth. The case study analysis according to researchers also figures out that digital marketing had been used greatly to gain competitive advantages.

Katsikeas C., Leonidou L. and Zeriti A. (2019) in this paper try to explore the challenges and opportunities faced by organizations in this digital time with respect to international marketing, and also the practices of international marketing with this developed digital world. It identifies the factors influencing the implementation of international marketing strategies and control using digital technologies. The results stated the potential, relevance and capability are the major points in influencing the market decision, implementation and control. Also, the revolution in the digital world had played a crucial role in gaining competitive advantage and achieving higher performances in international markets. There is lack of knowledge in usage of digital tools; increase in education will help the firms to better understand the attributes of the targeted markets and to produce appropriate products and services to attract maximum customers.

Drummond C., Toole T. O. and McGrath H. (2019) aimed to identify the importance of digital engagement strategies and tools in development of social media marketing capabilities. The study used the content analysis from the Facebook post and Twitter tweets and semi- structured interviews with 26 actors from B2B businesses of the food industry, Ireland.

Andersson P., Laurin E. and Rosenqvist C. (2019) conclude upon the increasing digitalization while approaching organizational future goals and business models. Over a period of time, they worked upon various explorative tools related to digital marketing which are heterogeneous in nature and are self-determined with business units. They considered organizational adaptability and alignment are two important factors for managing the forces of digitalization when it comes to marketing firms.

Ritz W., Wolf M. and McQuitty S. (2018) collected data of 250 small businesses to understand the behavior of owners in digital marketing based on do-it-yourself (DIY) model and technology acceptance model (TAM). The DIY model extracts the variables like self-improvement, senses of control and fun and excitement for development of digital marketing. The TAM model perceived the benefit of technology incorporating marketplace characteristic and factors related to satisfaction considering digital marketing and intentions (ease of use) to use the technology. The study showed that small businesses were less likely involve into the digital marketing but with the growing era they are willing to invest into it because of economic benefit, but not due to perceived lack of quality. All these factors are directly linked to DIY behavior with context to small business where they find different strategies themselves (managers and top level management) to implement into the marketplace.

Bolton R. N. et al (2018) talks about the new digital tools such as digital twins, virtual resistance and services robots to explore innovations in consumer experience. They have focused upon the digital, physical and social realm in consumer experience, in today's era artificial intelligence also played crucial role in service experience of the consumers, taking into consideration about the positive change in environments characterized by three factors naming high physical complexity, high digital density and low social presence.

Foroudi P. et al (2017) in their study proposed the relationship between digital marketing tools, tangible/intangible assets, company growth and marketing capability in small and medium scaled enterprises in UK. It identifies the key elements of digital world as service convenience and information quality. They also talked about the higher access to education in terms of designing content for innovative blogs, videos, and websites and so on. The result focused more on competence of their employees and managers to take correct decision so as to increase the exploration of digital technology and exploitation of marketing capabilities.

Taiminen H. M. and Karjaluto H. (2014) tried to find out the adoption of digital marketing and goals associated with it in SMEs through interviews of managers and survey collected from respondents in Finland. The results of the study says that none of them were able to use the digital marketing to their fullest potential and also not able to understood the basic change in the nature of communication through digitization due to lack of knowledge about the same. The research also indicated about the regional development of the internet and usage of the tools in digital marketing which do not go hand in hand as expected.

Karjaluoto H., Mustonen N. and Ulkuniemi P. (2014) investigated the role of digital channels and marketing communication tools in industrial firms. This case study is done in six different industrial firms scanning the actual state of digital marketing communications (DMC). There are three research outcomes, being the most important marketing tool in communication DMC have not used by the firms to its fullest potential. Secondly, DMC is also used in customer relationship management, for supporting sales and creating brand awareness. Lastly, social median platforms have not been used widely as DMC is using traditional digital tools. They talked about increasing education for marketing channels in respective industry for using more of the DMC tools to attain organizational objectives.

Holliman G. and Rowley J. (2014) focused on content marketing wherein it is playing very important role as the information is collected through internet during early stage of buying process. It also focused to explore the nature, process and challenges associated with digital marketing in business to business organizations, also tried to found out whether it is paid or not paid on social platforms and how much content is valuable and useful to the viewers.

Quinn L. et al (2013) studies the change in digital environment as the domain of management, they also contribute to different aspects of marketing concerning the small and large firms. Furthermore, they says about the skill gap in field of digital marketing with respect to changing technological climate within the years, particularly the limited group of firm uses or adopt this approach as the strategy of the organization. The socio-technological change continued to have impact on marketing, economy, society and management strategies.

Smith K. T. (2012) determined the different strategies preferred by millennial influencing their behavior towards digital marketing. The outcomes from the statistic showed that preference for certain form of online advertising is much more as it is the most effective way to reach out the millennial for writing online reviews or getting influenced by them. There is much potential growth in this generation for using digital medium considering marketing strategies with them.

Crisis Management

Christian C. and Bush J. (2018) tried to find out the impact of great recession on medium to small scale firms in the states of Georgia and Florida. They followed different strategies for surviving the recession and its aftereffects; even the tourist activity will gain advantages just after the recession and will contribute in financial conditions of the nation.

Johansen W. (2017) conducted a study comprising semi-structural in-depth interviews with top level management (CEOs, board members, Senior consultant and partners representing national and international public relations) of 12 firms operating in Denmark who offers crisis consultation and no hard conclusion can be drawn from it which can be applicable all over. They established a difference between crisis consulting and communication consulting.

Beck S. V. and Brodersen D. M. (2017) in their paper examine the impact of the great recession in USA on small and medium sized municipalities using the new set of developed quantitative indicators. They indicated that recession last up to 2015 as most of the cities experienced it because the focus is more on maintaining operations at lower rates rather than balancing the demand and supply which may result in increased expenditures during the period. The comparison of Florida is made with other metropolitan cities addressing the impact of recession. This city has larger tourist industry as compare to other major cities and when Florida is compared to Georgia, they found that there was marginal difference during the 3 years of recession. Due to fewer resources the additional research cannot be made particularly in rural cities.

Beck S. V. and Brodersen D. M. (2017) analyzes wealth dynamics considering great recession along with religious affiliation in USA. They collected data of income dynamics with wide arrangement of controllable variables and analyze the impact of religious affiliation groups on wealth pre and post recession. The result shows the differences between the religious groups exists before and after the recession when it comes to wealth and disparities are more for lower end people who lost their disproportionately more richness across all the religious clusters. Over all, the result suggested that the increase in great recession leads to increase in wealth inequality along with other dimensions of religious affiliations. The suggestion of the research says that related institutions may provide wealth assistance to the people at lower end and can minimize other harmful effects of economic events.

Laposa S. and Mueller A. (2017) developed a model to improve the predictability of macroeconomic factors in the real estate industry. They developed a model which showed probabilities of negative office appreciations greater than half of the office quarterly return. The model predicts the negative outcomes of the situation in advance and finding it useful for the real estate investigators in order to monitor the change in the economic data.

Lee K. R., Jo C. I., Kim H. G. (2016) researches the conditional correlations between multiple long-term interest rates as a function of macroeconomic variable, also tries to investigate four factors like time in

the beginning and end of the recession, financial integration and trade integration are the driving factors of the correlation. The research showed that there is heterogeneity in interest rates of different countries depending upon the quarters of the recession over a period of time.

Zheng T. et al (2013) examine the effect of Iowa's gaming industry before and after recession and concluded that this industry is recession-proof. In fact, there is significant increase in number of admission taking place after the economic downturn. The operators planned to reduce the number of games and increase the number of slot machines to accommodate the more players so as to reduce the operating cost.

Lee S. S. and Goldblatt J. (2012) seek to identify the critical areas of the festival and event industry in the crisis of 2007-2009. The data is collected electronically and was found that nearly half of the respondents claimed that profit margins are decreased, reduction in sponsorships and general economic recession are primary factors from all other revenue sources. The strategies intended to build for this industry were listed as to increase in marketing efforts, decrease overall expenses and of course increase the use of technology.

Latham S. and Braun M. (2011) examine the relative study between recession, strategy and performance by reviewing the articles on the same published between 1991 and 2010 in management and entrepreneurship journals. The first finding conclude about the behavior to provide systematic appraisal and review of what people know and do not know about management of firm in economic downturn. Secondly, it generated opportunities for scholars in conducting research on new topics.

Lim B. T. H., Oo B. L. and Ling F. (2010) tried to indentify the adoption of various strategies to achieve firms' goals and objective during the period of recession and after that. With the help of 34 interviews with senior executives of large and medium sized construction firms during 1997 to 2005, they examine how to maintain the relation between the firm and the business environment of the industry in such situation. The strategies identified are contracting-related actions, financial-related actions and cost-related actions which include the bidding of projects according to firms' capabilities and availabilities or resources, strict financial management on cash flow and controlling material wastage respectively. The practical implication highlighted the importance of effective cost, relationship, risk and resource management, and should learn to manage their business in order to be a flexible and responsible changes in both external and internal business environment.

Pollard D. and Hotho S. (2006) considered the importance of crisis management and planning with the organization strategies and its integration towards the utilization of the scenario as a crisis planning activity. They suggest pre-creating strategies in the beginning of crisis and smartly assessing the possibilities during this crucial period rather than thinking of past, generative new strategically possible management decisions leading to increase organization's effectiveness with all the factors. They recognized that different organization may possess different cultures and management style while working upon the planning, implementation and controlling of crisis management. The paper also concludes upon companies' relationship and interaction with media in terms of displaying the content in the public.

Conclusion

In this conceptual paper, we have exposed to various digital marketing, crisis management and recession works. In making assessment, significant advantages can be gained over educating public about the usage of digital tools so that it can penetrate into micro, small and medium enterprise as only large firms are gaining advantages over it. In this era of globalization, customers usually rely on online reviews during pre-purchase of the items so development of website for most of the market or industry will lead to easy sale purchase of goods and services. As per the latest reports, we have to adapt ourselves living with this virus in the environment following the social distancing law which can lead to increase the digital market and activities and also minimizing the import from the other countries. This crisis is caused by business cycle contraction when decline in economic activity, in order to elevate economy with this pandemic going digital is the safest and trendiest concept to rely on.

Limitations and Future Implications

Every study suffers few limitations and this conceptual paper is written during the period of lockdown all over the country due to COVID-19 pandemic. Unavailability of resources to extract out refined and relevant data related to the topic and unable to explore the ground data due to environmental conditions are the major limitations of this paper. The concept of digital India from the past 6yrs is in limelight by the government, easy accessibility to government websites and appealing for the availability of products and services to digital platform are the major concerns. Promoting content, product and services on the social media is in trend because of easy approach to customers, development and education towards different digital tools for friendly usage of small and medium scaled enterprise with limited investment could be the future scope of the study.

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